4. 100% depreciation is available to computers and computer peripherals over a period of 5 years for units under Export Oriented Units (EOU)/Software Technology Park (STP)/Special Economic Zone (SEZ) schemes.

5. Information Technology Software is exempted from Customs and Excise Duty.

6. EOU/STP units are eligible for Income Tax exemption on export profits, upto 2010, in terms of Sections 10A and 10B of the Income Tax Act. 100% Income Tax exemption on export profits available to SEZ units for 5 years, 50% for next 5 years and 50% of ploughed back profits for 5 years thereafter.

7. Income by way of dividends or long-term capital gains of a Venture Capital Fund (VCF) or Venture Capital company from investment made by way of equity shares in a Venture Capital Undertaking, which has been expanded to include the Software and IT sectors, will henceforth not be included in computing the total income. To give thrust to Venture Capital finance, Security & Exchange Board of India (SEBI) has been made the single point nodal agency for registration and regulation of both domestic and overseas venture capital funds.

8. Information Technology Act, 2000 dealing with Cyber Security, Cyber Crime and other information security related legal aspects is in place to encourage expansion of e-commerce through internet.

Teledensity in rural areas

99. SHRI EKANATH K. THAKUR: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that as per the Government data, the country's record in improving rural teledensity is dismal;

(b) whether it is a fact that in large and populous States of Uttar Pradesh, Madhya Pradesh, Jharkhand, Jammu and Kashmir, Chhattisgarh, Assam and Bihar rural teledensity was less than 1 per cent of their population; and

(c) if so, the steps Government propose to take to improve the rural teledensity?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) No, Sir. The rural teledensity has gone up from 0.4% at the time of announcement of National Telecom Policy-1999 (NTP-99) to 1.8% as on 31.12.2005.

(b) and (c) Yes, Sir. However, the rural teledensity of these states has been steadily improving over the years as shown below:—

SI.	Circle	As on 31st March, 2001	As on 31st December, 2005
1.	Uttar Pradesh	0.34%	0.52%
2.	Madhya Pradesh	0.36%	0.73%
3.	Jharkhand*	—	0.55%
4.	Jammu & Kashmir	0.13%	0.79%
5.	Chhattisgarh#	—	0.49%
6.	Assam	0.25%	0.68%
7.	Bihar	0.24%	0.61%

*was part of Bihar in 2001
#was part of Madhya Pradesh in 2001

Amongst the major steps taken by Government to improve the rural teledensity are:—

(i) The USO Fund Administrator has finalised agreements with four telecom service providers BSNL, Reliance Telecom Limited,-Tata Teleservices and Tata Teleservices (Maharashtra) for provision of rural Direct Exchange Lines (DELs) in all the 1685 net cost positive Short Distance Charging Area (SDCA). Under this agreement, the service operators were to provide at least 100 rural DELs by September 2005 in each of the Secondary Switching Areas (SSAs) comprising these SDCAs. Till November 2005,188620 rural DELs had been provided. Further, market forces are expected to take care of the emerging demand in these areas as per as the remaining net cost negative (viable) SDCAs are concerned.

(ii) BSNL has also relaxed the distance for laying outdoor cables from 2.5 Km to 5.0 Km for landline exchanges which would facilitate larger coverage in the rural areas from existing exchanges.